

**PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
COMMISSION DIRECTIVE**

ADMINISTRATIVE MATTER

☐

DATE

May 22, 2019

MOTOR CARRIER MATTER

☐

DOCKET NO.

2018-358-WS

UTILITIES MATTER

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ORDER NO.

2019-367

THIS DIRECTIVE SHALL SERVE AS THE COMMISSION'S ORDER ON THIS ISSUE.

SUBJECT:

DOCKET NO. 2018-358-WS - Verified Application of Blue Granite Water Company (f/k/a Carolina Water Service, Incorporated) for Approval of Annual Rate Adjustment Mechanisms and Petition for an Accounting Order to Defer Expenses**THIS APPLICATION CONTAINS A PROPOSED INCREASE TO THE FOLLOWING CHARGES: WATER DISTRIBUTION COMMODITY CHARGES AND SEWER COLLECTION AND TREATMENT CHARGES - Staff Presents for Commission Consideration Blue Granite Water Company's Petition for Declaratory Order and Request for Expedited Consideration.

COMMISSION ACTION:

Blue Granite states that it intends to file a rate case within the next 12 months but also has pass-through charges that it would like to pass on to customers. The utility seeks the Commission's interpretation that the language of SC Code Ann. § 58-5-240(F) will not prevent both the pass-through charges and the application for a rate increase within 12 months.

Specifically, Section 240(F) states that "after the date the schedule is filed with the commission and provided to the Office of Regulatory Staff, no further rate change request under this section may be filed until twelve months have elapsed from the date of the filing of the schedule."

The pass-through charges at issue are limited to expenses charged to the Company by third parties for these commodities and services and are charges over which the Company has no control. Further, these pass-through charges do not require a determination of the entire rate structure or overall rate of return.

As such, it is our interpretation that the schedule mentioned in Section 240(F) refers to the entire rate schedule, which is not affected by the pass-through charges. Therefore, those pass-through events would not prevent the utility from filing for a rate case within 12 months of when the charges are passed on to customers.

PRESIDING: RandallSESSION: Regular

TIME: 2:00 p.m.

	MOTION	YES	NO	OTHER
BELSER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<u>Recused</u>
ERVIN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

HOWARD	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
RANDALL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
WHITFIELD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
WILLIAMS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

(SEAL)



RECORDED BY: J. Schmieding